BC STATS
Province of British Columbia
Ministry of Finance and Corporate Relations

Infoline

Issue: **97-05** 7 Pages
January 31, 1997

You will find the last 5 issues on our website:
http://www.bcstats.gov.bc.ca

Report **BC's Qualified Support for Interprovincial Trade**

BC at a glance . . .

POPULATION (thousands)	Oct 1/96	% change on year ago
BC	3,888.5	2.5
Canada	30,101.6	1.2
GROSS DOMESTIC PRODUCT		% change
(BC - at market prices - $ millions)	1995	on year ago
Current Dollars	103,273	4.6
Constant (1986) Dollars	74,107	1.9
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Nov	2,795	-0.7
Merchandise Exports (raw) Nov	1,976	-3.6
Retail Sales (seasonally adjusted) Nov	2,678	4.6
CONSUMER PRICE INDEX		% change
(all items - 1986=100)	Dec '96	on year ago
BC	138.7	0.7
Canada	136.8	2.2
LABOUR FORCE (thousands)		% change
(seasonally adjusted)	Dec '96	on year ago
Labour Force - BC	2,017	3.7
Employed - BC	1,840	4.2
Unemployed - BC	177	-1.1
		Dec '95
Unemployment Rate - BC *(percent)*	8.8	9.2
Unemployment Rate - Canada *(percent)*	9.7	9.4
INTEREST RATES (percent)	Jan 29/97	Jan 31/96
Prime Business Rate	4.75	7.25
Conventional Mortgages - 1 year	5.20	6.75
- 5 year	7.25	7.80
US/CANADA EXCHANGE RATE	Jan 29/97	Jan 31/96
(avg. noon spot rate) Cdn $	1.3439	1.3784
US $ *(reciprocal of above rate)*	0.7441	0.7255
AVERAGE WEEKLY EARNINGS		% change
(industrial aggregate - dollars)	Nov '96	on year ago
BC	617.74	3.2
Canada	595.39	3.3

SOURCES:
Population, GDP, Trade, Prices, Labour Force, Earnings: Statistics Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Review

Survey Workshop

Statistics Canada is offering a 3-day workshop called *Surveys from Start to Finish*. The material covered leads you from questionnaire design and sampling to the processing, interpreting and presentation of survey results. Two locations: Feb 19-21 in Victoria, and April 30-May 2 in Vancouver.

Workshop Topics:

⇒ **Survey Planning:** 5 steps to formulate your information needs, and fundamentals of collecting data to meet those needs.

⇒ **Sampling Methods:** which methods are best for your project? The topics of probability sampling, sample size, random digit dialing and more will be covered.

⇒ **Questionnaires:** learn which structure, wording and design are best suited to your needs. Learn how to maximize response and avoid common pitfalls when building your questionnaire.

⇒ **Processing and Analysis:** the ins and outs of processing survey results, summarizing your findings and presenting them in a survey report.

Fee: The fee is $645 (plus GST). Early-bird: register and pay before February 5th for just $595 (plus GST).

For more information call (604) 666-1851 or fax "Workshop Registrar" at (604) 666-6966.

Released this week by BC STATS

- Business Indicators, January 1997
- Current Statistics, January 1997

Next week

- Labour Force Statistics, January 1997

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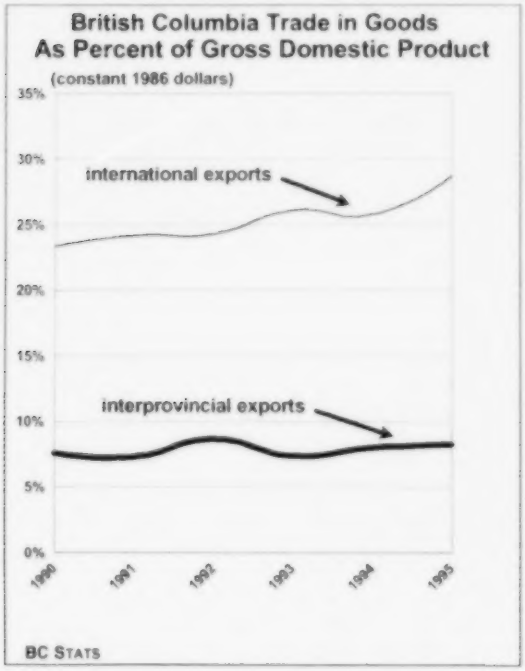
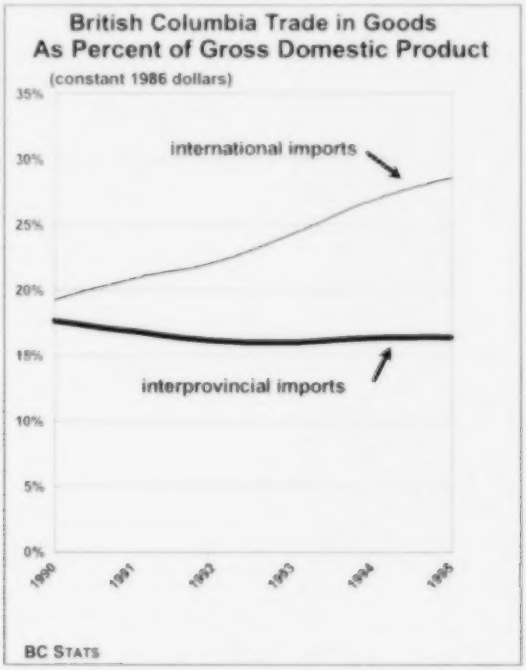
Infoline Report:

January 31, 1997

BC Products Find Better Markets Abroad Than in Canada

Reprinted from the October, 1996 Issue of *Exports (BC Origin)*. An annual subscription is $60 + GST.





British Columbia's *international* exports and imports have both grown strongly in the 1980's and 1990's, moving up with a rising tide of international trade that has affected most of the world. Like other provinces and most countries, British Columbia has seen both its international imports and international exports accounting for steadily expanding portions of gross domestic product.

The same cannot be said for its *interprovincial* trade. British Columbia's exports to other provinces have remained at about 7% to 8% of gross domestic product since the mid-eighties. Imports from other provinces have remained at about 17%. Over the same period, international exports grew from 24% to 29%, and international imports grew from 16% to 29%.

Wrong Products To Sell In Canada

British Columbia exports relatively little to other provinces because most of its industrial production is concentrated in commodities that are widely available in other parts of Canada. Shipping British Columbia forestry or mineral products to the big eastern markets is often a matter of 'coals to Newcastle'. Producers in those provinces compete with British Columbia suppliers in both international and interprovincial markets.

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1995 British Columbia
Net Interprovincial Merchandise Trade Flows
($ millions)

1995 Interprovincial Trade in Goods (Merchandise)
($ millions)

Exporters \ Importers	Nfld	PEI	NS	NB	Que	Ont	Man	Sask	Alta	BC	Yukon	NWT
Nfld	-	5	48	49	254	151	2	2	4	10	0	1
PEI	44	-	52	93	70	158	2	2	8	4	0	0
NS	296	111	-	477	551	435	24	24	124	95	1	9
NB	168	149	852	-	1,012	426	19	15	43	279	1	2
Que	596	137	1,017	1,256	-	12,361	711	722	2,061	1,921	32	88
Ont	823	260	1,740	1,245	13,203	-	1,573	1,421	5,244	4,647	74	176
Man	35	10	45	57	498	1,054	-	453	596	390	6	14
Sask	16	5	24	18	318	1,799	363	-	1,036	327	6	6
Alta	404	14	118	102	1,762	3,978	1,017	1,406	-	3,553	36	198
BC	21	10	36	67	647	896	224	284	1,739	-	73	19
Yukon	0	0	0	0	0	0	0	0	0	19	-	0
NWT	0	0	0	0	6	155	1	2	19	30	0	-
Interprov. Exports	526	433	2,147	2,966	20,902	30,406	3,158	3,918	12,588	4,016	19	213
Interprov. Imports	2,403	701	3,932	3,364	18,321	21,413	3,936	4,331	10,874	11,275	229	513
Net Interprovincial	-1,877	-268	-1,785	-398	2,581	8,993	-778	-413	1,714	-7,259	-210	-300
Net International	123	2	-865	100	1,960	-4,427	-405	2,392	7,939	2,795	-42	275
Total Net	-1,754	-266	-2,650	-298	4,541	4,566	-1,183	1,979	9,653	-4,464	-252	-25

Produced by: **BC STATS**
Source: Statistics Canada
January 27, 1997

This has meant that eastern provinces meet most of their needs for the kind of resource products produced in British Columbia from their own resources or by importing them from their immediate neighbours. Ontario consumption of lumber products in 1995, for example, included 53% from its own production, 14% imported from Quebec and only 5% from British Columbia. Similarly for pulp and paper products, 56% was produced within the province. A further 9% was imported from Quebec, and only 1% from British Columbia.

Competition from other provinces is less of a factor for the large scale secondary manufacturing industries concentrated mainly in Ontario and Quebec. Ontario manufacturers of autos, trucks and other transport equipment accounted for over 80% of Canadian output, with another 13% coming from Quebec. Quebec apparel manufacturers accounted for 61% of Canadian output, with another 25% coming from Ontario.

Persistent Interprovincial Deficits

Relatively weak exports to other provinces have left British Columbia with merchandise trade deficits with all other provinces except Newfoundland and Prince Edward Island, in 1995.

Interprovincial trade has not traditionally offered a very attractive proposition for British Columbia. Prior to the introduction of North American free trade in the 1990's, the province sold its natural resource commodities abroad at prices determined by international markets, while being more or less obliged to purchase secondary manufactured products from tariff-protected central Canadian producers. Then, as now, the prospects were poor for balancing its interprovincial imports by selling natural resource products elsewhere in Canada.

The situation has changed in the first half of the 1990's, at least as regards imports from other provinces. North American free trade eliminated many tariff barriers that had existed to protect eastern manufacturing concerns. This allowed international imports to grow rapidly, surpassing imports from other provinces for the first time in 1987, and widening the gap steadily since then.

However, British Columbia's exports to other provinces have been largely unaffected by free trade and continue to be very low in relation to the size of the provincial economy. In 1995 exports to other provinces accounted for only 8% of British Columbia's gross domestic product. This compared to 14% for Ontario, 16% for Quebec and 20% for Alberta.

If there is to be some improvement in British Columbia's trade balances with other provinces in the future, it will likely be brought about by the diversification of its industrial base that has been well under way in the mid-1990's.

This development has already made itself felt in the province's international trade. Between 1991 and 1995 the portion of international exports concentrated in machinery and equipment increased steadily from 5.5% to 7.9%, and is projected to climb as high as 11% in 1996. It can be anticipated that exports in this category will sooner or later be shipped in greater volumes to eastern Canadian destinations, pulling up the value of the province's exports to other provinces, and improving its trade balances with them.

More Imports From Abroad Than From Other Provinces

Perhaps the most significant trend for British Columbia's changing trade relationship with the rest of Canada, is the displacement of imports from other provinces by imports from other countries. British Columbia imports of cars, trucks and other transport equipment from Ontario, for example, fell 36% between 1991 and 1995, while international imports of these products grew 26%. Imports from Ontario of electronics and communications products fell 37% between 1991 and 1995, while imports from international sources grew 69%.

There have been similar displacements of imports from Quebec. These included a 38% drop in apparel products from Quebec between 1991 and 1995, as international imports rose 54%. Imports of meat, fish and dairy products from Quebec fell 30% over the same years, as international imports rose 67%.

Although merchandise imports from the rest of Canada have been held in check by competition from international imports in the 1990's, they still represent a very significant part of British Columbia's economy. They amounted to twice the value of exports to other provinces in 1995, and were equivalent to 16% of gross domestic product. This compared with Ontario imports from other provinces equivalent to 11% of its gross domestic product, and Quebec interprovincial imports equivalent to 13% of gross domestic product.

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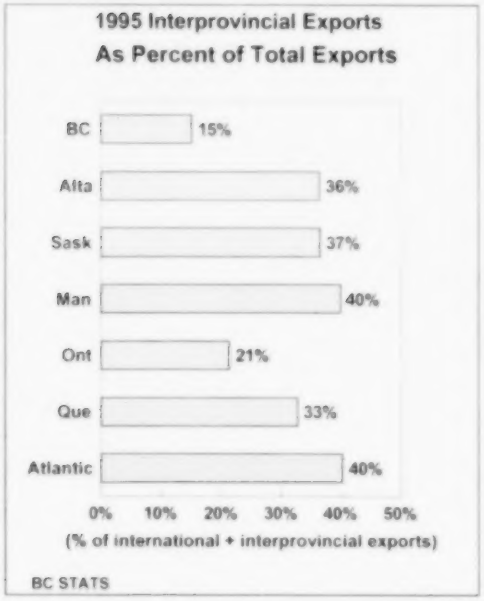
Infoline Report:

Foreign Markets Better



Loosest Trade Ties To Canada of Any Province

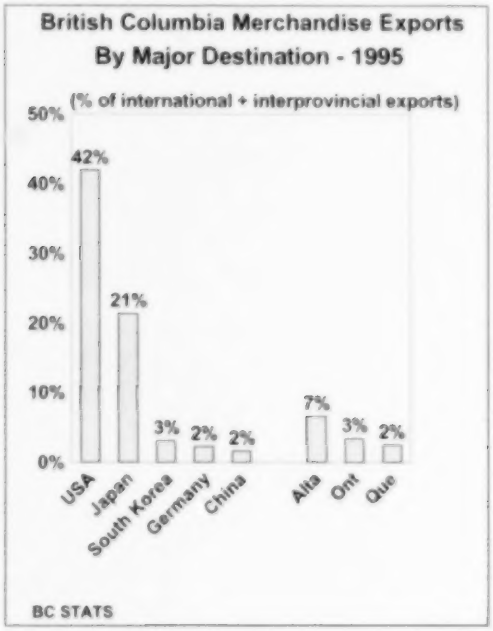
With its export success in international markets, and an industrial output that is generally ill suited for Canadian markets, British Columbia has developed into the province that is the least reliant of any on interprovincial trade.

Its exports to other provinces amounted to only 15% of its total exports (interprovincial plus international) in 1995, the lowest ratio in Canada. For most other provinces interprovincial trade amounted to more than twice that. The next lowest ratio was for Ontario (21%), where larger interprovincial exports were balanced by extensive international trade in autos and parts with the United States.

The concentration of British Columbia's trade in international markets is very apparent in the portions of total exports destined for particular markets. In 1995 42% of total exports (international plus interprovincial) were destined for the United States, and 21% for Japan.

The largest portion destined for any province went to Alberta (7%), with which there is a large cross border trade, as would be expected between neighbouring provinces.

After Alberta, all other export flows were relatively minor by comparison. South Korea and Ontario were the destinations for about 3% each. Another 2% each went to Germany, China and Quebec.



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highlights

January 31, 1997
Issue: 97-05

a weekly digest of recently released British Columbia statistics

Labour Market

- **Average weekly earnings in British Columbia increased 0.6% (seasonally adjusted) in November, rising to $617 per week.** Average weekly earnings in the province had risen 0.9% in the previous month. The increase in weekly earnings in November was well above the national average (+0.1%), but lower than in Newfoundland (+2.5%), the Northwest Territories (+1.7%) and New Brunswick (+1.2%). Quebec (-1.2%), PEI (-1.1%) and Alberta (-0.3%) were the only regions of the country where average earnings dropped below the October level.

  Average weekly earnings in BC were the fourth-highest in the country, after the Northwest Territories ($736), Yukon ($731) and Ontario ($635). The national average was $595 per week.

  Source: Statistics Canada

- **The number of employment insurance (EI) recipients receiving regular benefits in BC fell 2.3% in November, to 75,410.** This was the fourth consecutive decline in the number of EI beneficiaries, and the ninth since the beginning of 1996. The number of EI beneficiaries was down in all regions except Newfoundland, where it rose 2.4% to 38,140. The largest decline was in Saskatchewan (-9.7%). Nationally, the number of EI beneficiaries decreased 2.6%, to 680,810.

  Source: Statistics Canada

- **BC women who worked more than 30 hours a week earned an average of $31,647 in 1995, 6.2% more than in the previous year.** Average annual earnings for men employed full-year full-time in 1995 rose 0.9%, to $43,234. Ontario had the highest average earnings in the country: women earned $32,133, and men earned $43,629 in 1995. BC was ranked second, and was the only other province where earnings were above the national average of $29,700 for women and $40,610 for men. Average earnings for men were down 0.3% in both Ontario and Canada, but they increased 0.9% in British Columbia. The earnings of women rose 6.2% in BC, compared to increases of 5.4% in Ontario and 4.5% for all of Canada. *Source: Statistics Canada*

Business and Economics

- **Department store sales in British Columbia (including the two territories) were 0.3% higher in December than in the same month of 1995.** The year-over-year increase in sales was the lowest in the country–BC was the only region where department store sales increased less than one percent in December. In other provinces, sales increases ranged from 2.1% in Manitoba to 5.5% in Ontario. Nationally, department store sales were up 4.0% over December 1995. *Source: Statistics Canada*

- **For all of 1996, department store sales in BC were up 3.9% over the previous year.** Sales rose in all provinces, with the weakest gains occurring in Atlantic Canada (where growth rates ranged from 2.5% to 2.9%). Canadian sales were up 4.4%, led by a 6.4% increase in Saskatchewan. The growth in overall sales has been due to the strong performance of discount retailers. Canadian discount stores increased their sales by 8.6% in 1996. In contrast, sales by the major department stores were down slightly (-0.4%) from 1995. Sales by major department stores have fallen 10.7% since 1992, and their share of the market has dropped from 56% to 44%. *Source: Statistics Canada*

- **There were 517 consumer bankruptcies in BC last November, an increase of 8.2% relative to the same month of 1995.** However, business bankruptcies were down 34.4% from twelve months previously. During the first eleven months of 1996, bankruptcies in the province increased almost a third, largely due to the rise in consumer bankruptcies. Business bankruptcies were down slightly (-2.7%) from 1995. Canadian

For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

Did you know...?

Senior managers and professionals are more likely to listen to the CBC than to country music. According to a 1995 survey, 21% of people in these occupations listen to CBC radio, but only 7% are country music fans. Homemakers, retirees, and those with a grade school education are more likely to prefer listening to country music and talk shows.

consumer and business bankruptcies rose 19% during the first eleven months of 1996, with the largest increases occurring in the two territories (65.2%), New Brunswick (49.7%) and BC (29.4%). Manitoba (10.3%) had the smallest increase in bankruptcies. *Source: Industry Canada*

Tourism

- **Attendance in provincial parks was down 5% in 1996.** There were 23.5 million visits to parks in BC last year, compared to 24.7 million visits in 1995. The number of visits was down in all regions of the province except Okanagan/Kootenay, where visits were unchanged from the previous year. The largest declines were in the Lower Mainland and Northern BC (both at -8%). Visits in Thompson/Cariboo were down 5%, while park visits on Vancouver Island declined 2%.
  Source: Ministry of Environment, Lands and Parks

Social Trends

- **In 1993, 9,126 incidents of spousal assault were reported to police in British Columbia.** In 81% of these incidents, the offender was male, in 8% the offender was female, and the remaining 11% of incidents involved two offenders who assaulted each other. Seventy percent (6,405) of the incidents resulted in changes being laid. Charges were laid In 80% of incidents with a male offender. This compares to 34% of cases with a female offender and 24% of cases with two offenders. About half of the charges resulted in a conviction. *Source: Ministry of Attorney General*

- **Thirty-six British Columbians died, and another 414 were injured in fires in 1995.** Two of these deaths were the result of intentionally set fires, five resulted from careless smoking, and eight involved people who may have been impaired by alcohol, drugs or medication. Although the number of fire fatalities increased (from 30 in 1994), injuries were down (from 428), and there were fewer fires in the province (7,281, compared to 7,435 in 1994). Property losses due to fire decreased 16%, to $145.5 million.
  Source: Ministry of Municipal Affairs and Housing

Culture

- **British Columbians spend less time listening to the radio than other Canadians.** In 1995, BC residents spent an average of 18.6 hours a week listening to the radio. The average listening time for teens (aged 12–17) was 8.9 hours a week. This compares to 19.5 hours for men and 19.7 hours for women aged 18 and over. In other provinces, Quebecers (22.0 hours) spent the most time listening to the radio. The national average was 21.0 hours a week. *Source: SC, The Daily*

- **There were 66 performing arts companies in the province in 1994-95.** These companies put on 5,695 performances with a total attendance of 1.8 million people. Live theatre (with a total attendance of 1.0 million) and music (513,000) were the most popular performances, followed by opera (177,000) and dance (70,000).
  Source: SC, Culture Statistics Program

The Nation

- **Canada's economy grew for the eighth consecutive month in November, as real GDP at factor cost increased 0.5% (seasonally adjusted).** GDP in the goods sector rose 0.9%, boosted by a 1.7% increase in the manufacturing industry as GM plants went back into production following a strike in October. In the service sector, GDP was up 0.3%, led by growth in the finance, insurance and real estate industry (+1.0%). A surge in real estate activity, as markets responded to lower mortgage rates and declining housing stocks, was a major factor in the strong growth. *Source: Statistics Canada*

Oops!

- **There was an error in last week's issue of highlights.** The bullet on Income incorrectly reported taxfiler income and taxes in millions instead of billions of dollars. Our apologies for the error.

highlights, Issue 97-05
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